COLLECTIVE AGREEMENT

THIS AGREEMENT entered into this 7th day of April, 2011.

BETWEEN:

CANADA BREAD COMPANY LIMITED

A body corporate duly incorporated under the laws of British Columbia and having its place of business at 4230 Commerce Circle, Victoria, B.C.

(hereinafter referred to as the "Company")

OF THE FIRST PART

AND:

TEAMSTERS LOCAL UNION NO. 464

of the City of Vancouver, Province of British Columbia, Affiliated with the International Brotherhood of Teamsters.

(hereinafter referred to as the "Union")

OF THE SECOND PART

VANCOUVER ISLAND SALES AGREEMENT -

April 1, 2009 to November 1, 2014

WITNESSETH THAT the Parties hereto agree as follows:

INDEX

ARTICLE 1 – UNION SECURITY	1
ARTICLE 2 – UNION ACTIVITIES OF EMPLOYEES	
ARTICLE 3 – UNION NOTICES	1
ARTICLE 4 – DEDUCTION OF DUES, ETC.	2
ARTICLE 5 – SHOP STEWARDS	2
ARTICLE 6 CONFLICTING AGREEMENT	2
ARTICLE 7 - CROSSING OF A PICKET LINE AND RIGHT TO HANDLE UNION PRODUCT	1000
ARTICLE 8 – GRIEVANCE PROCEDURE	3
ARTICLE 9 – DISCHARGE OF EMPLOYEES	4
ARTICLE 10 - MANAGEMENT RIGHTS	5
ARTICLE 11 – WELFARE PLAN	5
ARTICLE 12 – COMPENSATION COVERAGE	8
ARTICLE 13 – PAY DAYS	8
ARTICLE 14 - POSTING OF VACANCIES AND PROMOTIONS	8
ARTICLE 15 – NEW CLASSIFICATIONS	
ARTICLE 16 – LOSS OF WAGES	9
ARTICLE 17 – SENIORITY AND REDUCTION OF STAFF	9
ARTICLE 18 – SEVERANCE PAY	1
ARTICLE 19 - MINIMUM PAY 1	12
ARTICLE 20 – EATING AND REST PERIOD	12
ARTICLE 21 – ANNUAL HOLIDAYS	12
ARTICLE 22 – STATUTORY HOLIDAYS	15
ARTICLE 23 – SHIFT DIFFERENTIAL	15
ARTICLE 24 – UTILIZATION OF EMPLOYMENT	16
ARTICLE 25 – WORK CLOTHES	16
ARTICLE 26 – JURY DUTY	16
ARTICLE 27 – REGULAR PART-TIME EMPLOYEES	17
ARTICLE 28 – HEALTH AND SAFETY	17
ARTICLE 29 - DAYS AND HOURS OF WORK AND OVERTIME	18
ARTICLE 30 – GENERAL PROVISIONS	19
ARTICLE 31 – WAGES	
ARTICLE 32 – SAVINGS CLAUSE	19
ARTICLE 33 - EXPIRATION OF AGREEMENT	20
SCHEDULE "A"	21
LETTER OF UNDERSTANDING (BREAD BASKETS)	
LETTER OF UNDERSTANDING	

ARTICLE 1 - UNION SECURITY

- 1.01 All employees covered by this Agreement must become members of the Union within fourteen (14) calendar days of their commencing their employment hereunder. The Company agrees to retain in his employ, within the group covered by this Agreement, only members of the Union in good standing and to notify the Union within ten (10) calendar days of any new employees hired or former employees returned to the payroll.
- 1.02 It is further agreed that any person not a member of the Union, shall not work at occupations which come under the Union's jurisdiction, except in cases of emergency and then only until a member of the Union can be placed on the job. Where this provision operates against the efficiency of the Facility, the Union undertakes to consider exemption in any particular case put before it. In the event of failure to reach agreement, the matter will be submitted to Arbitration under the provisions of Article 8, Section 8.03.
- 1.03 That the Union's jurisdiction shall be deemed to include the processing, manufacture, sale and/or distribution of bakery products or such other products as the Company may from time to time sell or distribute.
- 1.04 This Agreement shall cover all employees engaged in work coming within the Union's jurisdiction and whether employed at the Company's address set forth above or employed elsewhere in the Province of British Columbia and there engaged in the sale or distribution of bakery or other products shipped or forwarded from the aforesaid places.
- 1.05 The selling and distribution of bakery products being recognized as work coming within the Union's jurisdiction, such work must be performed by an employee of the Company whose products are being sold or distributed, provided that selling and distribution may be carried on by such persons other than employees who were, on March 4th, 1973, carrying on such selling or distribution. Sub-section 1.04 shall not be deemed to include sales representatives who are not employed in distribution or delivery.
- 1.06 Supervisor and personnel above that level shall not be required to be members of the Union unless working within the Union's jurisdiction.
- 1.07 The parties hereto shall not use any leasing device to a third party which has the effect of evading this Agreement.

ARTICLE 2 – UNION ACTIVITIES OF EMPLOYEES

2.01 No employee shall be discharged or discriminated against for any lawful Union activity. No employee who serves on a committee shall lose his position or be discriminated against for that reason. The Company shall allow time off work without pay to any employee who is serving on a Union Committee or as Union delegate, providing that all requests for time off are reasonable, do not interfere with the proper operation of the plant or routes and are made by an Officer of the Union.

ARTICLE 3 – UNION NOTICES

3.01 The Company agrees to provide space which is readily accessible for the Union notices of direct interest to the employees.

ARTICLE 4 - DEDUCTION OF DUES, ETC.

4.01 Each of the employees covered by this Agreement hereby authorizes the Company to deduct and pay over to the Secretary of the Union, any monthly dues, fines or assessments levied in accordance with the Union's By-Laws, owing by him or her hereunder to the said Union, or as are authorized by regular and proper vote of the membership of the Union. Monies shall be deducted in accordance with the written statement supplied in duplicate by the Union which shall show the total amount owing by each employee and names of the employees for whom the deductions are to be made. Deductions of any monies owing shall also be made from any employees in the month in which they terminate. Monies deducted shall be forwarded by the Company to the Secretary-Treasurer of the Union not later than the 10th day of the following month and shall be accompanied by a copy of the written statement supplied by the Union.

ARTICLE 5 - SHOP STEWARDS

- 5.01 There shall be a shop steward at each operation covered by this Agreement, if the Union so desires, to see whether the members of the Union and the Company live up to the provisions of this Agreement and to report any infractions of such provisions and rules to the Superintendent or Foreman, who shall promptly deal with same. Such shop steward shall be elected by the Union members in the shop concerned, failing which, a shop steward may be appointed by the Union, and shall be an employee of the place in which he is a steward. There shall be no discrimination against the shop steward for Union activities.
- 5.02 The shop steward shall have no authority to alter, amend, violate or otherwise change any part of the Agreement. The shop steward shall report to the Union officers any violation of this Agreement.

ARTICLE 6 - CONFLICTING AGREEMENT

6.01 It is further agreed by the Company that no Union member will be asked to make any written or verbal agreement conflicting with this Agreement. No Union member shall make any written or verbal agreement with the Company conflicting with this Agreement.

ARTICLE 7 - CROSSING OF A PICKET LINE AND RIGHT TO HANDLE UNION PRODUCT

- 7.01 The Company shall not require any member of the Union to cross a picket line, which has not been declared illegal by a Court. The Company shall not require any member of the Union to accept any product or goods from any person, or employees of any person, with whom the Union, Local 464, has a picket or placard line, which has not been declared illegal by a Court, around or against, or to deliver any product or goods to any person, or employees of any person, with whom the Union, Local 464, has a picket or placard line, which has not been declared illegal by a Court, around or against.
 - If a strike occurs, or a picket line is established, which affects the operation of the Company, at the request of either party, a meeting will be called to discuss the application of the Section.
- 7.02 It shall not be a violation of this Agreement or cause for dismissal for an employee to refuse to handle, receive, ship or transport any materials or equipment affected by a labour dispute which has not been declared illegal by a Court.

ARTICLE 8 - GRIEVANCE PROCEDURE

- 8.01 Any violation of the Agreement must be submitted as a grievance within thirty (30) days of the violation or be considered invalid unless, upon evidence of extenuating circumstances, grievance procedure is authorized by the Executive Board of the Union.
- 8.02 Disputes or differences concerning the interpretation, application, operation or violation of this Agreement shall be resolved according to the following procedure:
 - (a) The employee or the Union together with such person or persons as he or the Union may wish, shall take the matter up with the Company.
 - (b) Should a solution not be reached by step (a) then an officer or officers of the Union, accompanied by the employee, if he or they so wish, shall discuss the matter with the Company. If a solution is reached this shall be final.
- 8.03 If the procedures set forth in (a) and (b) above do not result in a solution being reached within seven days of the first discussion between an officer of the Union and a representative of the Company, or within such further period as the Company and the Union agree to in writing, the dispute shall be referred to an Arbitration Board of three persons appointed as follows:
 - (a) The Party desiring arbitration shall appoint a member for the Board and shall notify the other Party in writing of the name and address of the person so appointed and particulars of the matter in dispute.
 - (b) The Party receiving the notice shall within five (5) days thereafter appoint a member for the Board and notify the other Party of its appointment.
 - (c) The two Arbitrators so appointed shall confer to select a third person to be Chairman and failing for three days from the appointment of the second of them to agree upon a person willing to act, either of them may apply to the Honourable Minister of Labour, to appoint such third member.
 - (d) Should the Parties mutually agree to do so, a single Arbitrator may be used to resolve any dispute.
- 8.04 The Arbitration Board shall sit, hear the Parties, settle the terms of the question to be arbitrated, and make its award within ten (10) days from the date of the appointment of the Chairman, provided the time may be extended by agreement of the parties.

The Arbitration Board shall have the power to determine whether a particular issue is arbitrable under this Agreement.

A majority award should be the award of the Board.

8.05 If the Arbitration Board finds (or if at any earlier stage of the grievance procedure, it is found) that an employee has been unjustly suspended or discharged, that the employee shall be reinstated by the Company without loss of pay and with all his rights, benefits and privileges which he would have enjoyed if the suspension or discharge had not taken place, or if an Arbitration Board finds (or if at any earlier stage of the grievance procedure it is found) that an ex-employee should have been re-hired, that ex-employee shall be employed by the Company and paid all pay which he would have enjoyed and accorded all the rights, privileges and benefits which he would have enjoyed if he had been hired at the

proper time, provided that if it is shown to the Board that the employee has been in receipt of wages during the period between discharge and/or suspension and reinstatement or date of failure to re-hire and re-hiring, the amount so received shall be deducted from wages payable by the Company pursuant to this Article less any expenses which the employee had incurred in order to earn the wages so deducted, AND PROVIDED THAT the Arbitration Board, if circumstances are established before it, which, in the opinion of the Arbitration Board, makes it just and equitable to do so, shall have the authority to order the Company to pay less than the full amount of wages lost.

- 8.06 If the award of the Arbitration Board is subsequently set aside by a Court of competent jurisdiction the question shall, at the request of either Party, be submitted to another Arbitration Board appointed pursuant to and with all the powers provided in this Article.
- 8.07 The expenses and remuneration of the Chairman shall be paid by the Parties in equal shares.
- 8.08 Without restricting the specific powers hereinbefore mentioned the Arbitration Board shall have all of the general powers of an Arbitration Board.

ARTICLE 9 – DISCHARGE OF EMPLOYEES

- 9.01 (a) All employees shall be given seven (7) calendar days notice before being discharged or laid off save those whose lay-off is dictated by season, supply, demand or exceptional weather conditions or suspension of an operation for an unscheduled breakdown, except for reasons provided below in Section 9.03.
 - (b) Employees shall give the Company the same notice.
- 9.02 Except for layoffs pursuant to Article 17 of this Agreement, no employees shall be discharged other than for proper cause.
- 9.03 The Company reserves the right to discharge any employee, without notice, for any of the following causes:
 - 1. Dishonesty
 - Drunkenness
 - 3. Refusal to obey a lawful order
 - Absence without leave
 - Drinking intoxicating liquors while on duty
 - 6. Permitting unauthorized persons on vehicles provided "no riders" stickers are on vehicles
 - 7. Wilful abuse of sick leave privileges
 - 8. Impairment due to the improper use of drugs
 - 9. Wilful abuse of Company property
- 9.04 Any discharged employee may, within seventy-two (72) hours of his discharge, in writing, require the Company to give him the reasons for his discharge and the Company will give such reasons to him, in writing, within seventy-two (72) hours of such request, and in the event of any dispute or difference as to whether or not there was proper cause for the discharge of an employee, only the reasons so set forth in writing shall constitute cause.
- 9.05 If an employee is discharged or suspended for any reason whatsoever and feels that he has been unjustly dealt with, or if an employee laid off pursuant to Article 17 of this Agreement is not re-hired, and feels that he should have been re-hired, the dispute shall constitute a grievance to be settled pursuant to the provisions of Article 8 hereof, provided that the grievance shall be launched within fourteen (14) calendar days of the discharge or suspension.

ARTICLE 10 - MANAGEMENT RIGHTS

- 10.01 The Company shall have the exclusive right and power to manage the business and direct the working force, including the right to hire, suspend for cause, discharge for cause, layoff, promote, increase or decrease the working force, to determine the products to be handled.
- 10.02 The nature of a suspension, length of a suspension and the date of implementation of a suspension shall be provided to an employee in writing and the Union shall be so notified immediately.
- 10.03 Nothing in this Agreement shall be intended or is to be construed in any way to interfere with the recognized right of the Company to manage and control the business. It is further agreed that nothing in this Article shall be used to discriminate against any employee of the Union, its members or its Executive.
- 10.04 Nothing in any of the provision of this Article shall in any way limit, void or affect the other provisions of this Agreement.

ARTICLE 11 - WELFARE PLAN

- 11.01 The Company shall continue to provide a Welfare Plan for all employees covered by this Agreement (excluding those listed hereunder) with the following benefits:
 - (a) Life insurance coverage in the sum of \$25,000, covering death from any cause.
 - (b) Accidental Death and Dismemberment in the principal sum of \$25,000 both occupation and non-occupational coverage.
 - (i) In the event of death by accident the principal sum will be paid in addition to the Life Insurance benefit in (a).
 - (ii) In the event of dismemberment or loss of sight due to accident, the following amounts will be paid:

1.	Both hands or feet	25,000
2.	Sight of both eyes	25,000
3.	One hand and one foot	25,000
4.	One hand, sight of one eye	25,000
5.	One foot, sight of one eye	25,000
6.	Sight of one eye	12,500
7.	One hand or one foot	12,500

(c) Sick benefit shall commence on the first day of necessary absence from work due to accident and on the fourth day of necessary absence from work due to sickness, continuing to a maximum of thirty-nine (39) weeks during any period of disability.

Sick benefits coverage will be at the rate of sixty percent (60%) of an employee's average normal weekly wages (normal weekly earnings does not include overtime earnings).

Accumulated sick leave may be used to supplement Sick benefit up to a maximum of one (1) day Sick Leave per every full week of Sick benefit.

- (d) Extended Health Benefits Plan in accordance with the standard plan of service provided by Medical Services Association covering employees and their eligible dependents, including:
 - 1. Prepaid Drug Plan no deductible.
 - 2. Eyeglass coverage to a maximum of \$100 per person.
 - 3. Hearing aids to a maximum of \$350 per person every four (4) years.
- (e) Medical coverage and benefits equivalent to those provided by M.S.P.
- (f) The Company agrees to provide the following Dental benefits:

Plan "A" 100% Plan "B" 80% Plan "C" 50%

(g) The cost of the benefits contained in Article 11, Welfare Plan shall be borne 85% by the Company and 15% by the Employee.

11.02 Sick Leave

- (a) Sick pay deductions on a daily basis shall be at the rate of one-quarter (1/4) or one-fifth (1/5), whichever is applicable of the employee's weekly earnings. When an employee during the course of a day's work is taken sick or meets with an accident, he shall receive at least one-half (1/2) his normal day's wages.
- (b) Each regular full-time employee after three (3) months of consecutive employment shall be entitled to, at no cost to the employee, paid sick leave at the rate of one-half (1/2) day's pay per month of employment up to a maximum of twenty-four (24) days, calculated on route earning or wage rates, whichever is applicable. Sick leave benefits will apply at the rate of one-half (1/2) day's pay for the first day for the first three (3) illnesses of each calendar year, and a day's pay for each of the second (2nd) and third (3rd) working days of any illness. The payment of sick leave and weekly indemnity shall not exceed a regular day's pay.
- (c) When an employee ceases to be an employee of the Company, he shall be paid any sick leave accumulation as follows:

7 years of service – 1/3 of accumulation 14 years of service – 2/3 of accumulation 21 years of service – full accumulation

(d) If requested by the Company, the employee shall provide a Doctor's certificate verifying the illness and if found abusing this privilege may be disciplined by the Company, either by discontinuing or reducing the benefit to the employee or terminating his employment.

The Company will reimburse the employee for charges incurred in certificate preparation to a maximum of twenty dollars (\$20.00) for the first certificate requested for each illness. The Company further agrees to pay the full Doctor's fee provided the employee uses a Doctor of the Company's choice and uses Company approved reporting forms.

11.03 Pensions

Effective the first Sunday following ratification of this Agreement, the Company agrees to provide that each eligible employee who retires at age 65 will receive a pension of not less than one thousand four

hundred seventy-five dollars (\$1,475.00) per month provided they have been continuously employed for twenty-five years or more and has been a member of the plan.

The Company further agrees to increase the Pension benefit by: twenty-five dollars (\$25.00) effective April 1, 2006 for a total of one thousand five hundred dollars (\$1,500.00); twenty-five dollars (\$25.00) effective April 1, 2007 for a total of one thousand five hundred twenty-five dollars (\$1,525.00); twenty-five dollars (\$25.00) effective April 1, 2008 for a total of one thousand five hundred fifty (\$1,550.00).

The Company also agrees to provide for early retirement with no reduction in benefit at the later of age 60 and combined age service of 90 years.

The payment of this amount shall be in accordance with any regulations governing the payment of pensions as set out in the applicable Pension Plan.

11.04 Leave Of Absence

(a) Leave of absence on compassionate grounds or personal reasons may be granted at the discretion of the Company.

Request for such leave will not unreasonably be withheld providing the employee made the request at least one (1) month in advance of needing the leave of absence.

- (b) (i) The Company will grant a leave of absence without pay to employees who are appointed or elected to Union office for a period up to and including five (5) years.
 - (ii) The employee who obtains this leave of absence shall return to his Company within thirty (30) calendar days after completion of his term of employment with the Union to retain his previous seniority.
- (c) Further leave of absence shall be granted by mutual consent by the Company and the Union provided in the event the employee's term of employment with the Union is extended by reelection such leave of absence shall be extended for a further period as outlined under Article 11.04(b)(i) above and subject to the conditions laid down under Article 11.04(b)(ii) of the above.
- (d) In the event of death in an employee's immediate family (employee's parents or parents-in-law, sister or brother, spouse, (which may include common-law spouse) or children, grandchild, grandparents, brother-in-law, sister-in-law or any other relative living in the household of the employee), the employee shall be entitled to be absent from work with pay for a period of up to three (3) working days, when such absence is necessary to make arrangements for or to attend the funeral.
- When an employee goes off work ill or on compensation or grievance procedure is invoked on his discharge, the Company shall continue to pay both his welfare fees and Union dues so that at all time the employee shall be protected to the utmost.
 - (b) To provide payment for the above mentioned welfare benefits, an employee must leave sufficient funds with the Company or pay, or have paid on his behalf, in advance, the monthly payments direct to the Company.

- (c) For the purpose of this clause only, any employee off ill or on compensation shall be deemed to be on the payroll.
- 11.06 Students and temporary employees will be excluded from the provisions of Article 11.
- 11.07 Maternity and Parental Leave shall be in accordance with the Employment Standards Act.
- 11.08 Requests for Pregnancy or Parental Leave must be made in writing at least four (4) weeks before the day on which the employee proposes to commence the leave and must be accompanied by a medical practitioner's certificate stating the expected or actual birth date.

ARTICLE 12 - COMPENSATION COVERAGE

12.01 When employees on compensation are directed by the Compensation Board or their physician that they may return to work, they shall be returned to their previous job and rate of pay for a period of two (2) weeks to see if they are capable of performing the job held at the time of injury, and if so, shall be kept on the payroll.

ARTICLE 13 - PAY DAYS

- 13.01 All wages shall be paid by direct deposit on a weekly basis.
- 13.02 The Company shall provide each employee covered by this Agreement with an itemized statement of earnings which shall indicate:
 - Number of hours worked.
 - 2. Number of overtime hours worked.
 - 3. Total wages.
 - 4. Statements of deductions and amounts applicable thereto.

ARTICLE 14 - POSTING OF VACANCIES AND PROMOTIONS

14.01 Job classifications which may become open during the term of this Agreement shall be filled according to seniority and ability. Where ability between employees is reasonably equal, seniority shall prevail. The onus of establishing between employees that their ability is not reasonably equal shall be on the Company.

Upon request, an unsuccessful applicant shall be given reasons why he was not selected for the vacancy.

14.02

- (a) All positions shall be posted on the bulletin board at the operation affected for a period of three (3) working days with details of earnings and any other pertinent information.
- (b) Any employee in the bargaining unit desiring the position shall make application in writing to the Supervisor or Coordinator within the period of posting. The successful bidder shall be given a trial period not to exceed two calendar weeks; if not satisfactory, he shall be given the opportunity to revert to his former position.

- (c) Unsuccessful applicants under sub-section (b) above shall be considered in filling any vacant position arising out of the original vacancy.
- (d) Application for vacant positions will not be entertained if the applicant has applied for and been given a vacant position less than twelve (12) months previously.
- (e) Any depot employee hired after December 1, 1986, may not bid on Bread Basket vacancies or bump into Bread Basket positions.

14.03 Miscellaneous

- (a) The results of all postings to be announced and the employees affected to be notified within seven (7) days.
 - In the event a successful applicant is not assigned to the new position within fourteen (14) calendar days, the Company shall notify the Union.
 - If such vacancies or promotions are filled by other than the senior applicant, the Company shall notify the Shop Steward and/or the Union within forty-eight (48) hours and shall supply them with the names of all the applicants for the vacancy or promotion.
- (b) A probationary period of ninety (90) shifts of work to be completed within two hundred and seventy-four (274) calendar days shall apply in the case of each new employee during which time seniority shall not apply and an employee may be laid off without reference to seniority and the Company shall not be obligated to re-hire such an employee. The probationary period shall be extended by any time lost due to accident or illness during the probationary period.
- (c) Employees on days off or holidays shall be notified of vacancies by the Company provided the employee, in writing, has requested a change.

ARTICLE 15 – NEW CLASSIFICATIONS

- 15.01 The Company shall negotiate with the Union, the establishment of, and the rate of wages to be paid for, any classification of work other than those set forth in Schedule "A".
- 15.02 In the event that the Company and the Union cannot reach agreement concerning any proposed classification of work, either Party may invoke the Grievance Procedure set forth in Article 8 of this Agreement. The rate established by mutual agreement or Arbitration shall be retroactive to the day the employee was assigned to such position.

ARTICLE 16 - LOSS OF WAGES

16.01 No employee shall suffer a reduction in earnings or rate of earnings because of the adoption of this Agreement. For the purposes of this Article, earnings shall not be deemed to include overtime earnings.

ARTICLE 17 – SENIORITY AND REDUCTION OF STAFF

17.01 Upon completion of the probationary period (as per 14.03 (c)), seniority shall date from the date of employment.

- 17.02 When a part-time employee becomes full-time, for seniority purposes only, he shall be credited for past service. Past service credit shall only be for the time he actually worked and will apply towards establishing his seniority date.
- 17.03 Part-Time Employees (excluding Bread Basket)

Part-time employees who do not restrict their availability will be assigned work according to seniority and ability. Where ability between employees is reasonably equal, seniority shall prevail.

Part-time employees who restrict their availability shall be considered casual and shall be assigned work according to ability only. Casual employees shall not accrue seniority.

- 17.04 Seniority shall be lost if an employee:
 - Voluntarily leaves the employ of the Company.
 - 2. Is discharged for proper cause.
 - Is absent without leave without just cause.
 - 4. After lay-off, fails to report for work within seven (7) days after being recalled.
- 17.05 The Company shall post semi-annually, a seniority list for each department at each plant or location showing the date of first hire of each employee covered by this Agreement and shall furnish the Union with a copy of such seniority list semi-annually.
- 17.06 Whenever it is necessary to reduce the number of employees for any reason, the employees shall be considered as laid off and will be re-hired in order of seniority provided that the Company may apply to the Union for its consent to waive seniority in any case where the ability and qualifications of a particular employee are substantially superior to those of a more senior employee and provided further that such superior ability and qualifications are necessary for the job involved. The onus of establishing the matters aforesaid shall be on the Company.
- 17.07 (a) A reduction in staff may only be effected by laying off the least senior employee in accordance with the following procedure:
 - Step 1 Where the Company eliminates a route or position, the employee displaced shall be the least senior employee within the department/classification in the depot concerned in that geographical area;

The geographical areas are:

- (i) Greater Victoria, which includes areas up to Nanaimo.
- (ii) Nanaimo and points north.
- Step 2 The displaced employee from Step 1 shall displace the least senior employee on the overall seniority list regardless of classification or geographic area. Should this require the employee to relocate, such relocation shall be at the employee's own expense.
- (b) In the event relocation becomes necessary due to a reduction of staff, the employee affected is to be the least senior at the branch concerned, regardless of classification.

- (c) Should the application of the above procedure adversely affect a more senior employee, the Parties agree to meet and discuss the granting of an exemption to this Clause. Where an exemption is agreed to by the Parties, it shall be binding on all Parties to this Agreement.
- (d) As in Section 17.06 of this Article, the Company may apply to the Union for its consent to waive seniority.
- (e) Employees filling a position or taking over a route as a result of the procedure in 17.07(a) shall be given a trial period not to exceed thirty (30) working days. If not satisfactory, he shall not be given the opportunity to revert to his former position or route.
- 17.08 Employees laid off pursuant to this Article shall retain the right to be re-hired for fifty-two (52) weeks from the date of the lay-off, provided that the employee shall leave with the Company an address at which the employee can be served notice of re-hire. Any employee returning from layoff will be recalled at the rate they were earning when they went on layoff.

The onus shall rest with the employee to maintain a correct address.

Any employee failing within seven (7) working days to respond to a notice of recall shall be deemed to have forfeited both the right to recall and seniority.

- 17.09 Where any dispute arises concerning a lay-off or re-hiring of an employee, such dispute shall constitute a grievance and shall be settled pursuant to the provisions of Article 8, of this Agreement.
- 17.10 Any employee hired after December 1, 1986 may not bid on Bread Basket vacancies or bump into Bread Basket positions.

ARTICLE 18 - SEVERANCE PAY

- 18.01 In the event of:
 - 1. Amalgamation, closure of the Plant or a department thereof, or
 - Reduction in the work force due to the elimination of a job process or the introduction of equipment or methods which causes a regular full-time employee to lose his employment;

the Company hereby agrees to pay such an employee severance pay at his regular rate of pay according to the following schedule:

Full-Time	Severance Pay
Consecutive service up to two (2) years Consecutive service over two (2) years	One (1) week One (1) week's pay for every year of full-time service to a maximum of twenty (20) weeks.

- 18.02 The foregoing shall be in addition to the regular week's notice or week's pay in lieu thereof to which such employees may be entitled. This clause does not apply to a temporary lay-off.
- 18.03 (a) Upon termination such employee shall be placed on the re-hire list, as provided for in Section 17.08, for a period of four (4) weeks. At the end of four (4) weeks, the employee so affected shall have the option of remaining on the re-hire list or accepting severance pay.

Should he elect to remain on the re-hire list, he may renew his option every fourth (4th) week but in any event, providing no suitable employment has been provided by the Company, he must accept severance pay no later than fifty-two (52) weeks from the date of termination.

(b) Any employee electing to take severance pay under the terms set out above shall forfeit all rights under this Agreement.

Any employee electing to retire on pension prior to normal retirement age shall not be eligible for severance pay.

ARTICLE 19 - MINIMUM PAY

19.01 When an employee is called to work on any of his days off, he shall receive a minimum of four (4) hours pay, or pay at the overtime rate for all time worked, whichever is the greater.

ARTICLE 20 - EATING AND REST PERIOD

- 20.01 (a) No employee shall be worked longer than five (5) hours without a half hour off for the purpose of eating a meal.
 - (b) All employees shall be given a ten (10) minute rest period approximately midway in each half shift at a time to be designated by the Company in accordance with the requirements of the operation.

20.02 Drivers

Each employee shall be allowed a maximum of one (1) hour a day, without pay, for meals and rest periods.

ARTICLE 21 – ANNUAL HOLIDAYS

- 21.01 Employees with one (1) year or more of continuous service shall receive two (2) consecutive weeks vacation with vacation pay, at the rate of four (4%) of gross earnings during the working year, or two (2) weeks pay, whichever is the greater.
- 21.02 Employees with three (3) years or more of continuous service shall receive a third (3rd) week of annual vacation with vacation pay, for the third (3rd) week at the rate of two percent (2%) of the gross earnings during the working year, or one (1) week's pay, whichever is the greater.
- 21.03 Employees with eight (8) years or more of continuous service shall receive a fourth (4th) week of annual vacation with vacation pay, for the fourth (4th) week at the rate of two percent (2%) of the gross earnings during the working year, or one (1) week's pay, whichever is the greater.
- Employees with thirteen (13) years or more of continuous service shall receive a fifth (5th) week of annual vacation with vacation pay, for the fifth (5th) week at the rate of two percent (2%) of the gross earnings during the working year, or one (1) week's pay, whichever is the greater.
- 21.05 Employees with eighteen (18) years or more of continuous service shall receive a sixth (6th) week of annual vacation with vacation pay, for the sixth (6th) week at the rate of two percent (2%) of the gross earnings during the working year, or one (1) week's pay, whichever is the greater.
- 21.06 Employees with twenty-six (26) or more years of continuous service shall receive a seventh (7th) week of annual vacation with vacation pay, for the seventh (7th) week at the rate of two percent (2%) of the gross earnings during the working year, or one (1) week's pay, whichever is the greater.

Two weeks of these annual holidays shall be given the employees entitled to them in the months June 1st to September 30th inclusive, unless the employees entitled to them have elected to take all or any portion of their annual holidays within the months October 1st to May 31st inclusive. However, employees who are entitled to five (5), or six (6), or seven (7) weeks holiday may, at their option, take three (3) weeks holidays together during the period from June 1st to September 30th inclusive. All employees in each group shall be given the opportunity to choose their holiday dates in order of their seniority, i.e. length of service. Choice of holidays shall be as nearly proportionate as possible in terms of seniority in each group.

All periods of the year shall be available for holidays and shall be posted.

All employees entitled to more than two (2) weeks holidays may select all or any portion of them in one continuous period providing they take their holidays in the months of October 1st to May 31st inclusive. Any employee requesting holidays during the months June 1st to September 30th inclusive shall receive two (2) weeks, or three (3) weeks if entitled, in one continuous period. The remainder of the holidays to which such employee is entitled shall be given during the months October 1st to May 31st inclusive.

Employees taking all or any portion of their holidays within the winter schedule shall indicate the period desired and shall be given same on the basis of seniority.

(b) In the event the application of holiday selection as outlined above results in single weeks left open on the holiday schedule, an employee may select one of the single weeks on his or her first choice.

This selection of one week in the summer period shall constitute that employee's entire first, second or third choice with any further holiday entitlement being selected from available time in order of seniority.

(c) Should available time remain open on a holiday schedule after all employees covered by the schedule have made their first selection, the employees shall have the option of making additional summer period selections in order of seniority.

These additional selections, if any, shall be for one (1) week periods only and shall in no way limit the selections in order of seniority on the winter schedule.

- 21.09 The completed list of holiday periods for the months June 1st to September 30th inclusive shall be posted by April 15th of each year, and must also show the dates chosen by the employees electing to take all or any portion of their holidays in the months October 1st to May 31st inclusive. The completed list of holiday periods for the months October 1st to May 31st inclusive shall be posted by September 15th of each year.
- 21.10 Employees shall receive vacation pay on the regular pay day during the week preceding the commencement of vacation.
- 21.11 In the event of a Statutory Holiday occurring during an employee's annual vacation, he shall be granted equivalent time off at a later date by mutual agreement between the employee and the Company.

- 21.12 (a) Employees with less than three (3) years continuous service whose employment is terminated shall receive vacation allowance at the rate of four percent (4%) of gross earnings during the working year.
 - (b) Employees with three (3) years, but less than eight (8) years, continuous service whose employment is terminated shall receive vacation allowance at the rate of six percent (6%) of gross earnings during the working year.
 - (c) Employees with eight (8) years, but less than thirteen (13) years, continuous service whose employment is terminated shall receive vacation allowance at the rate of eight percent (8%) of gross earnings during the working year.
 - (d) Employees with thirteen (13) years, but less than eighteen (18) years, continuous service whose employment is terminated shall receive vacation allowance at the rate of ten percent (10%) of gross earnings during the working year.
 - (e) Employees with eighteen (18) years, but less than twenty-six (26) years, continuous service whose employment is terminated shall receive vacation allowance at the rate of twelve percent (12%) of gross earnings during the working year.
 - (f) Employees with twenty-six (26) years or more continuous service whose employment is terminated shall receive vacation allowance at the rate of fourteen percent (14%) of gross earnings during the working year.
- 21.13 Employees shall take the annual vacations to which they are entitled in accordance with the terms hereof. No employee shall accept wages in lieu thereof.
- 21.14 Any employee off ill or on compensation shall be given an annual holiday credit of:
 - (a) Four months if entitled to two weeks.
 - (b) Six months if entitled to three weeks.
 - (c) Eight months if entitled to four weeks.
 - (d) Ten months if entitled to five or more weeks.

in addition to time worked during the year, provided further that the sum total of time credited and time worked does not exceed one (1) year.

- Any employee off ill or on compensation in excess of one (1) year will not be entitled to any additional annual holiday credits in the second year until he shall have worked a minimum of:
 - (a) Eight months if entitled to two weeks.
 - (b) Six months if entitled to three weeks.
 - (c) Four months if entitled to four weeks.
 - (d) Two months if entitled to five or more weeks.
- 21.16 The following shall be considered as days actually worked and paid for in determining vacation pay:
 - (a) Absence on Worker's Compensation up to a period of one (1) year, provided the employee returns to his employment.
 - (b) Absence due to illness up to a period of one (1) year, provided the employee returns to his employment.

The Company shall have the right to require a certificate from a qualified medical practitioner.

The foregoing is subject to the provisions of Section 21.14 above.

21.17 Supervisors may be used for temporary holiday relief work and shall pay Union dues when so relieving for more than one (1) week. In no case shall Supervisors be used in relief work if such work can be done by employees within the bargaining unit during regular working hours.

ARTICLE 22 - STATUTORY HOLIDAYS

22.01 (a) All employees shall receive ten (10) Statutory Holidays and all Holidays proclaimed by either the Federal or Provincial Government with full pay during the year.

The Statutory Holidays shall be:

New Year's Day	Canada Day	Thanksgiving Day
Good Friday	B.C. Day	Remembrance Day
Victoria Day	Labour Day	Christmas Day
		Boxing Day

All regular full-time employees shall receive one (1) additional Statutory Holiday with pay to be selected on the basis of seniority from among the posted available days between October 1st and May 31st inclusive.

This additional Statutory Holiday will not be applicable to any employees hired on or after October 1st, 1985.

- (b) All part-time employees shall receive Statutory Holiday pay for each of the Statutory Holidays as identified above in accordance with the formula outlined in the Employment Standards Act.
- (c) An employee shall be paid for each such Statutory Holiday, even if it falls on his weekly days off, or time taken in lieu thereof, or on his annual vacation.
- (d) Each permanent employee shall be entitled to a Statutory Holiday even when he or she is off through illness, quarantine, compensation or lay-off, providing he or she is not absent for a period exceeding thirty (30) days.
- 22.02 (a) During a week in which a public holiday falls, the employees day off in lieu of the public holiday may be changed to another day in that week.
 - (b) Regular full-time employees who work on public holidays shall be paid a premium of sixty-five cents (65¢) per hour.

ARTICLE 23 – SHIFT DIFFERENTIAL

23.01 Distribution

(a) In addition to all other sums of money payable under this Agreement, the Company shall pay the sum of ninety cents (90¢) per hour for all work, or any part thereof, performed between the hours of 6:00 P.M. and 6:00 A.M.

(b) Any employee working Sunday shifts (any shift that includes Sunday as a regularly scheduled work day) shall be paid a premium of seventy-five cents (75¢) per hour (in addition to any other shift premium that may be applicable) for all hours worked on Sunday.

23.02 Sales Clerks

In addition to all other sums of money payable under this Agreement, the Company shall pay the sum of ninety cents (\$.90) per hour for every hour worked between the hours of 6:00 P.M. on the one day and 6:00 A.M. the following day to Sales Clerks.

ARTICLE 24 - UTILIZATION OF EMPLOYMENT

24.01 When an employee is required to fill the place of another employee receiving a higher rate of pay, if only for a day or the greater part of a day, he shall receive the higher rate, but if he is required to fill temporarily the place of another employee receiving a lower rate, his rate will not be changed to the lower rate.

This provision shall not apply when due to lack of work an employee may be reclassified.

- 24.02 (a) All employees shall be employed in a manner conforming to the listed classification. It is recognized that the nature of an operation or the season of the year may render it necessary to combine two or more classifications.
 - (b) Any employee affected by the combining of his classification with any other classification shall be paid at the highest rate of the combined classifications. This does not include present exceptions or such other exceptions as may be mutually agreed upon by the Union and the Company.

ARTICLE 25 - WORK CLOTHES

25.01 All employees shall be provided with (at no cost to them) clean uniforms, coveralls or smocks, whichever is applicable, as well as gloves, to those requiring same. These clean clothes will be supplied no less than once a week and shall be Union made and Union serviced.

ARTICLE 26 - JURY DUTY

- 26.01 Employees called upon to perform jury duty shall not suffer any loss of normal wages thereby, subject to the following conditions:
 - (a) Employees shall return to work within a reasonable period of time after jury duty is finished. They shall not be required to report for work if less than two (2) hours of their normal shift remains to be worked.
 - (b) Such employees shall furnish the Company with such statements of earnings as the Courts may supply.

ARTICLE 27 - REGULAR PART-TIME EMPLOYEES

- 27.01 An employee who performs one hundred fifty-five (155) days of actual work in a twelve (12) month period shall be classified as a regular part-time employee. Such employee must continue to perform one hundred fifty-five (155) days of actual work in each successive twelve (12) month period in order to maintain the benefits hereinafter provided, except as noted in Section 27.03.
- 27.02 Such regular part-time employees on temporary lay-off shall maintain M.S.P. coverage during such lay-off. The employee may prepay the necessary full premium or have the Company make the payment which shall be reimbursed to the Company by that employee upon his or her return to work.
- 27.03 Regular part-time employees shall be entitled to two (2) weeks vacation with pay. Vacation pay will be prorated according to time worked.

After three (3) years of consecutive service, regular part-time employees shall be entitled to three (3) weeks vacation with pay. After eight (8) years of consecutive service, four (4) weeks vacation with pay. After thirteen (13) years of consecutive service, five (5) weeks vacation with pay. After eighteen (18) years consecutive service, six (6) weeks vacation with pay. After twenty-six (26) years consecutive service, seven (7) weeks vacation with pay. Vacation pay will be prorated according to time worked.

The basic two (2) weeks vacation and the third (3rd), and/or fourth (4th), and/or fifth (5th) and /or sixth (6th) and/or seventh (7th) weeks vacation shall be taken at the times as set out in Article 21.

After having qualified for three (3), four (4), five (5), six (6) or seven (7) weeks vacation as above and such employee fails to perform 155 days of actual work in any one year, such employee shall not qualify for that year only. However, if such employee fails to qualify for two successive years, except for approved absence due to sickness, accident, or compensation, then such employee must requalify for vacations as provided above.

- 27.04 The foregoing benefits for a regular part-time employee will terminate in the event the employee does not return to work within seven (7) days of recall after a lay-off.
- 27.05 For the purposes of vacation, regularly scheduled work days lost by regular part-time employees due to sickness or accident shall count as time worked to a maximum of two (2) months for employees entitled to two (2) weeks, and to a maximum of four (4) months for employees entitled to three (3) or more weeks.

ARTICLE 28 - HEALTH AND SAFETY

28.01 The Company is dedicated to the elimination of occupational injuries and will develop, implement and maintain procedures to attain this goal and agrees to ensure, as far as is reasonably practical to do so, the health and safety of its employees. The Company shall comply with all applicable health and safety legislation and regulations.

All employees of Canada Bread are safety leaders. Every employee must take reasonable care to protect their health and safety and the health and safety of others who may be affected by their acts or omissions at work; to carry out their work in accordance with established safe work procedures; to use and wear protective equipment, devices and clothing as required by the Company and or the OH&S Regulations.

The Company undertakes to provide each new employee, at the time of hiring, the necessary orientation for the safe performance of work and handling of materials and products.

ARTICLE 29 - DAYS AND HOURS OF WORK AND OVERTIME

Sales And Distribution Departments

- 29.01 All employees covered by this Agreement shall work either a four (4) or five (5) day, forty (40) hour week, at the Company's option. Where reasonably possible, the Company will endeavour to give two (2) days off consecutively, with one (1) day being Sunday.
- 29.02 A four (4) or five (5) day, forty (40) hour week, at the Company's option, shall constitute the work week for Sales Clerks and Depot employees. Overtime at the rate of time and one-half (1½) shall be paid for all time worked over their regular scheduled hours per day.
- 29.03 There shall be no split shifts. Minimum time off between shifts shall be twelve (12) hours, except where combined with days off, in such cases, twenty-four (24) hours shall be added for each day off.
- 29.04 Work schedules shall be posted at least forty-eight (48) hours in advance and employees must be notified of any change before leaving shifts.
- 29.05 Subject to the provisions of Article 22 Statutory Holidays, overtime shall be paid at the time wages are paid for the week in which overtime is worked.
- 29.06 Time clocks shall be used by the Company to show properly and correctly the daily record of the working hours of each employee, which shall be available for inspection by the Secretary of the Union, or its representative upon request.
- 29.07 Where, by agreement between the Parties, there shall be no time clock installed, a correct and proper written time card record of daily hours of work shall be kept by the employees affected. Such records are to be used for purpose of calculating overtime pay for employees and shall be retained for a period of ninety (90) days.
- 29.08 No employee, without prior written permission from the Union, shall perform any work before recording his starting time or after recording his finishing time.
- 29.09 The Company shall post the schedule of working hours for each employee and may change such schedule at his own discretion, providing at least forty-eight (48) hours notice is given.
- 29.10 Employees who transfer to another classification shall be excluded from the overtime provisions of this Article for a period of three (3) calendar weeks from the date of assignment to the learning of the position, providing such overtime is not occasioned by:
 - (i) Mechanical breakdown
 - (ii) Delays or conditions or overtime not attributable to said employee.
- 29.11 Part-time Sales Clerks may be hired, but must not be used in any way to reduce the work week of a regular full-time Sales Clerk, or to in any way limit the number of regular full-time Sales Clerks that may be used. The parties agree to one full-time position per store. Stores which currently have two full-time positions will be reduced through attrition.

ARTICLE 30 - GENERAL PROVISIONS

- Authorized agents of the Union shall have access to the premises of the Company during working hours for the purpose of adjusting disputes, investigating working conditions and ascertaining that the Agreement is being adhered to, provided there is no unreasonable interruption of the work of the employees.
- 30.02 The Company shall provide and maintain for the convenience of employees, toilets, washrooms and lockers. The lunch rooms shall be separate and apart from dressing rooms and toilets and shall provide facilities for boiling water.
- 30.03 Whenever the Company requires an employee to upgrade his Driver's Certificate in order to operate one of the Company's vehicles, the out-of-pocket expenses of upgrading the Certificate shall be borne by the Company. This provision will also apply to the normal renewal of a Driver's Certificate.

ARTICLE 31 - WAGES

31.01 The Company shall pay wages to every employee covered by this Agreement at the rates set forth in Schedule "A" hereunto annexed in respect of the various classifications of work therein contained.

Schedule "A" shall be deemed to be contained in and form part of this Agreement.

ARTICLE 32 - SAVINGS CLAUSE

- 32.01 The within Agreement and Schedule hereto annexed shall be subject to, and shall be interpreted, and, where necessary, altered, varied, or amended from time to time to give effect to the laws enacted by the Parliament of Canada and the Province of British Columbia, including amendments thereto and regulations or orders-in-council made or passed thereunder.
- 32.02 In the event that any Article or Section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the Parties affected thereby shall enter into immediate collective bargaining negotiations, upon the request of either Party for the purpose of arriving at a mutually satisfactory replacement for such Article or Section during the period of invalidity or restraint. If the Parties do not agree on a mutually satisfactory replacement, they shall submit the dispute to the procedures as outline in Article 8.
- 32.03 It is clearly understood however, that the Agreement or any Section thereof, which are not held invalid or restrained, shall continue in effect for the balance of the period of the collective agreement.

ARTICLE 33 - EXPIRATION OF AGREEMENT

33.01 This Agreement shall be in effect from April 1, 2009 to November 1, 2014 and from year to year thereafter unless written notice of abrogation or amendment shall be given by either Party to the other Party, within four (4) months prior to the anniversary date hereof, in any year.

DULY SIGNED by the Parties hereto this

day of

2011.

SIGNED ON BEHALF OF THE COMPANY CANADA BREAD COMPANY LIMITED

SIGNED ON BEHALF OF THE UNION TEAMSTERS LOCAL UNION NO. 464

SCHEDULE "A"

PRODUCTION DEPARTMENT

WAGES PER HOUR

Wage Scales - Vancouver Island Depot Employees

	April 24, 2011	October 30, 2011	October 28, 2012	November 3, 2013
0 - 500 hours	14.50	14.50	14.50	14.50
501 - 1000 hours	15.00	15.00	15.00	15.00
1001 - 1500 hours	15.50	15.50	15.50	15.50
1501 - 2000 hours	16.00	16.00	16.00	16.00
2001 - 2500 hours	16.25	16.25	16.25	16.25
2501 - 3000 hours	16.50	16.50	16.50	16.50
3001 - 3500 hours	16.75	16.75	16.75	16.75
3501 - 4000 hours	17.00	17.00	17.00	17.00
4001 - 4500 hours	17.25	17.25	17.25	17.25
4501 - 5000 hours	17.50	17.50	17.50	17.50
5001 - 5500 hours	17.75	17.75	17.75	17.75
5501 - 6000 hours	18.00	18.00	18.00	18.00
6001 - 6500 hours	18.25	18.25	18.25	18.25
6501 - 7000 hours	18.50	18.50	18.50	18.50
7001 - 7500 hours	19.00	19.00	19.00	19.00
7501 - 8000 hours	19.50	19.50	19.50	19.50
8001 hours +	21.25	21.75	22.15	22.40

Wage Scales - Bread Baskets

	April 24, 2011	October 30, 2011	October 28, 2012	November 3, 2013
Start	\$10.00	\$10.20	\$10.40	\$10.60
6 months	\$10.50	\$10.70	\$10.90	\$11.10
12 months	\$11.00	\$11.20	\$11.40	\$11.60
18 months	\$11.25	\$11.45	\$11.65	\$11.85
24 months	\$11.50	\$11.70	\$11.90	\$12.10
30 months	\$11.75	\$11.95	\$12.15	\$12.35
36 months	\$12.00	\$12.20	\$12.40	\$12.60
42 months	\$12.50	\$12.70	\$12.90	\$13.10
48 months	\$14.20	\$14.55	\$14.80	\$15.00

Employees will qualify for future pay increases on the wage scale effective the beginning of the next
payroll period after they have achieved the months of service, i.e. we will not calculate on partial pay
periods

Retroactive Pay

In light of the considerations and agreements set out in this memorandum, the Company agrees to pay to all current employees retroactive as follows:

- \$0.35 per hour paid for the time period March 29,2009 to April 23, 2011
- \$0.20 per hour paid for the time period march 28, 2010 to April 23, 2011

This payment will be made on a separate pay deposit during the first fully pay period within two weeks of April 23, 2011.

Lump Sum Payment

All active employees as of the date of ratification will receive a lump sum payment of \$500 within two weeks of ratification.

LETTER OF UNDERSTANDING (BREAD BASKETS)

The Parties agree that this Collective Agreement will cover the existing Bread Baskets located at the Victoria and Nanaimo.

In the case of store closure or layoff, employees displaced shall be given the opportunity to displace the most junior employees in the remaining stores.

In the event that an existing store is relocated, or a new store is opened within a ten (10) kilometer radius of any store covered by this agreement, the terms and conditions of this agreement will apply.

SIGNED ON BEHALF OF THE COMPANY CANADA BREAD COMPANY LIMITED	SIGNED ON BEHALF OF THE UNION TEAMSTERS LOCAL UNION NO. 464
Jan den	
Dal Dujar	

LETTER OF UNDERSTANDING

The Company agrees to pay, to the Teamster's Local Union No. 464 Education and Industry Enhancement Fund, 7½¢ (seven and one-half) per hour worked for all employees. This calculation to commence August 1, 1998 and is to be paid no less than quarterly.

SIGNED ON BEHALF OF THE COMPANY CANADA BREAD COMPANY LIMITED	SIGNED ON BEHALF OF THE UNION TEAMSTERS LOCAL UNION NO. 464
Jandin	
Sal Pijah	

This offer is made on a "Without Prejudice" basis and the parties reserve the right to add to, amend, or withdraw proposals during the course of these discussions.

April 7, 2011

Memorandum of Agreement Between

Canada Bread Company, Limited (the "Company")

And

Teamsters Local Union No. 464 (the "Union")

- Vancouver Island Sales -

The parties and undersigned representatives of the parties unanimously agree to present and recommend to their respective principals the following agreement as a complete settlement of all the collective bargaining matters.

Effective upon ratification, unless otherwise noted, the previous collective agreement in effect is to be continued as amended below:

Retroactive Pay

In light of the considerations and agreements set out in this memorandum, the Company agrees to pay to all current employees retroactive as follows:

- \$0.35 per hour paid for the time period March 29, 2009 to April 23, 2011
- \$0.20 per hour paid for the time period March 28, 2010 to April 23, 2011

This payment will be made on a separate pay deposit during the first full pay period within two weeks of April 23, 2011.

Lump Sum Payment

All active employees as of the date of ratification will receive a lump sum payment of \$500 within two weeks of ratification.

Wage Adjustments Revise Schedule "A" (Wage Schedule) to reflect:

Wage Scales - Bread Basket

	April 24, 2011	October 30, 2011	October 28, 2012	November 3, 2013
Start	\$10.00	\$10.20	\$10.40	\$10.60
6 months	\$10.50	\$10.70	\$10.90	\$11.10
12 months	\$11.00	\$11.20	\$11.40	\$11.60
18 months	\$11.25	\$11.45	\$11.65	\$11.85
24 months	\$11.50	\$11.70	\$11.90	\$12.10
30 months	\$11.75	\$11.95	\$12.15	\$12.35
36 months	\$12.00	\$12.20	\$12.40	\$12.60
42 months	\$12.50	\$12.70	\$12.90	\$13.10
48 months	\$14.20	\$14.55	\$14.80	\$15.00

BC Vancouver Island Sales - Proposal for Settlement made "without prejudice"

Page 1 of 6

Wage Scales - Vancouver Island Depot Employees

	April 24, 2011	October 30, 2011	October 28, 2012	November 3, 2013
0 - 500 hours	14.50	14.50	14.50	14.50
501 - 1000 hours	15.00	15.00	15.00	15.00
1001 – 1500 hours	15.50	15.50	15.50	15.50
1501 – 2000 hours	16.00	16.00	16.00	16.00
2001 – 2500 hours	16.25	16.25	16.25	16.25
2501 – 3000 hours	16.50	16.50	16.50	16.50
3001 - 3500 hours	16.75	16.75	16.75	16.75
3501 – 4000 hours	17.00	17.00	17.00	17.00
4001 – 4500 hours	17.25	17.25	17.25	17.25
4501 – 5000 hours	17.50	17.50	17.50	17.50
5001 – 5500 hours	17.75	17.75	17.75	17.75
5501 – 6000 hours	18.00	18.00	18.00	18.00
6001 - 6500 hours	18.25	18.25	18.25	18.25
6501 - 7000 hours	18.50	18.50	18.50	18.50
7001 - 7500 hours	19.00	19.00	19.00	19.00
7501 – 8000 hours	19.50	19.50	19.50	19.50
8001 hours +	21.25	21.75	22.15	22.40

Article 11

Not to be included in the agreement:

The benefit plan will be amended effective May 1, 2011 to reflect:

- Increase in vision care benefit from currently \$100/12 months to \$200/24 months (typically a benefit that is expressed over 24 months as glasses are seldom required every year.
- Split services of Massage and Physiotherapist, subject to their own maximums of \$250 per calendar year each and remove the per visit maximums.

Duration of Agreement

Revise Article 33 to reflect a five-year agreement ending on November 1, 2014.

Revised Article 23

Revise Article 23 to read:

23.01 Distribution

- (a) In addition to all other sums of money payable under this Agreement, the Company shall pay the sum of ninety cents (90¢) per hour for all work, or any part thereof, performed between the hours of 6:00 P.M. and 6:00 A.M.
- (b) Any employee working Sunday shifts (any shift that includes Sunday as a regularly scheduled work day) shall be paid a premium of seventy-five cents (75¢) per hour (in addition to any other shift premium that may be applicable) for all hours worked on Sunday.

23.02 Sales Clerks

In addition to all other sums of money payable under this Agreement, the Company shall pay the sum of ninety cents (\$.90) per hour for every hour worked between the hours of 6:00 P.M. on the one day and 6:00 A.M. the following day to Sales Clerks.

Revised 14.02

Revise 14.02 to:

- (a) All positions shall be posted on the bulletin board at the operation affected for a period of three (3) working days with details of earnings and any other pertinent information.
 - (b) Any employee in the bargaining unit desiring the position, shall make application in writing to the Supervisor or Coordinator within the period of posting. The successful bidder shall be given a trial period not to exceed two calendar weeks; if not satisfactory, he shall be given the opportunity to revert to his former position.
 - (c) Unsuccessful applicants under sub-section (b) above shall be considered in filling any vacant position arising out of the original vacancy.
 - (d) Application for vacant positions will not be entertained if the applicant has applied for and been given a vacant position less than twelve (12) months previously.
 - (e) Any depot employee hired after December 1, 1986, may not bid on Bread Basket vacancies or bump into Bread Basket positions.

Revise 14.03

Revise 14.03:

(a) The results of all postings to be announced and the employees affected to be notified within seven (7) days.

In the event a successful applicant is not assigned to the new position within fourteen (14) calendar days, the Company shall notify the Union.

If such vacancies or promotions are filled by other than the senior applicant, the Company shall notify the Shop Steward and/or the Union within forty-eight (48) hours and shall supply them with the names of all the applicants for the vacancy or promotion.

- (b) A probationary period of ninety (90) shifts of work to be completed within two hundred and seventy-four (274) calendar days shall apply in the case of each new employee during which time seniority shall not apply and an employee may be laid off without reference to seniority and the Company shall not be obligated to re-hire such an employee. The probationary period shall be extended by any time lost due to accident or illness during the probationary period.
- (c) Employees on days off or holidays shall be notified of vacancies by the Company provided the employee, in writing, has requested a change.

Revised Article 20

Revise article 20 to read:

ARTICLE 20 - EATING AND REST PERIOD

20.01

- (a) No employee shall be worked longer than five (5) hours without a half hour off for the purpose of eating a meal.
- (b) All employees shall be given a ten (10) minute rest period approximately midway in each half shift at a time to be designated by the Company in accordance with the requirements of the operation.

Revised Article 21.17

Revise to read:

21.17

Supervisors may be used for temporary holiday relief work and shall pay Union dues when so relieving for more than one (1) week. In no case shall Supervisors be used in relief work if such work can be done by employees within the bargaining unit during regular working hours.

Revised Article 29

ARTICLE 29 - DAYS AND HOURS OF WORK AND OVERTIME

Revise 29.01 to read:

29.01

All employees covered by this Agreement shall work either a four (4) or five (5) day, forty (40) hour week, at the Company's option. Where reasonably possible, the Company will endeavour to give two (2) days off consecutively, with one (1) day being Sunday.

Delete 29.02

Delete 29.03

Revise 29.04 to read:

A four (4) or five (5) day, forty (40) hour week, at the Company's option, shall constitute the work week for Sales Clerks and depot emplyees. Overtime at the rate of time and one-half $(1\frac{1}{2})$ shall be paid for all time worked over their regular scheduled hours per day.

Delete 29.08

Delete 29.12

Delete 29.13

Delete 29.15

Delete 29.16

Revise to read:

29.17

Employees who transfer to another classification shall be excluded from the overtime provisions of this Article for a period of three (3) calendar weeks from the date of assignment to the learning of the position, providing such overtime is not occasioned by:

- (i) Mechanical breakdown
- (ii) Delays or conditions or overtime not attributable to said employee.

Delete 25.02

<u>Housekeeping</u>

- 1.02 change "Plant" to "facility"
- 1.06 eliminate reference to "Plant Foremen"

Signed this 7th day of April, 2011.

FOR THE UNION:

FOR THE COMPANY: